

# **Exhibit B**



Engineering and Environmental Science

FPM Group, Ltd.  
FPM Engineering Group, P.C.  
*formerly Fanning, Phillips and Molnar*

CORPORATE HEADQUARTERS  
909 Marconi Avenue  
Ronkonkoma, NY 11779  
631/737-6200  
Fax 631/737-2410

December 6, 2016

Mr. Robert S. Rosenfeld  
Chief Restructuring Officer  
Dowling College  
150 Idle Hour Blvd.  
Oakdale, NY 11769

**Re: Dowling College  
Development of 105 Acres in Brookhaven**

Dear Mr. Rosenfeld:

FPM is pleased to provide you with this proposal for the above referenced project. Our scope of work will be to assist you in managing a team of professionals, including Master Planners and Traffic Engineers to accomplish the following:

1. Having the area rezoned as a Planned Unit Development by developing no more than three possible Master Plans for Town approval;
2. Preparing a Draft and Final Generic Environmental Impact Plan for the full 105 acres, including traffic impacts and mitigation

We have considered the uncertainty of this project scope at the present time and propose for those tasks reasonably well-known we will perform as a lump sum not to exceed (this assumes that the project proceeds smoothly without major opposition).

However, along the way there will be numerous meeting and strategy sessions, both with you and the Town, that we propose to bill on a time and materials basis (T&M). Hence, our proposal includes:

Task 1: Meet with Town Planning Department and prepare up to three alternatives of Mixed Use Development.  
Lump Sum of \$12,000 (\$10,800 plus \$1,200) - three alternatives to Land Use Development. Assumes one meeting with the Town and one meeting with the Client.

Task 2: Additional meetings, hearings, etc. with Town and client as necessary to obtain the PUD status will be on a T&M basis.

Task 3: Develop a Draft Generic Environmental Impact Statement (DGEIS).  
Lump Sum - \$40,000 - \$60,000 plus \$26,500 for a Traffic Study or \$66,500 - \$86,500. Assumes multiple meetings with the Town and Client, as necessary.

Mr. Robert S. Rosenfeld

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December 6, 2016

Task 4: Meeting with client and Town including hearings and additional requirements above and beyond the DGEIS will be done on a T&M basis.

Task 5: Final GEIS – Lump sum of \$10,000.

Our standard terms and conditions are attached along with our Standard Fee Schedule and the Hourly Billing Rates of our subcontractor, VHB Engineering.

It is understood that this work is being funded by two creditors of Dowling College, Openheimer and ACA.

Please be aware that in order to expedite the project, we have begun to incur costs as of December 6, 2016.

If this proposal is satisfactory, please have Dowling College sign one copy and return to my attention.

It has been our pleasure preparing this proposal for your review. We have prepared this proposal carefully with your needs as a focus. Should you feel that more or less detail is required or if you simply have questions, please call me directly.

Sincerely,



Kevin J. Phillips, PE, Ph.D.  
CEO  
FPM Group, Ltd.

KJP:dlr

**FPM**



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December 6, 2016

Mr. Robert S. Rosenfeld  
Chief Restructuring Officer  
Dowling College  
150 Idle Hour Blvd.  
Oakdale, NY 11769

Re: **Dowling College**  
**Development of 105 Acres in Brookhaven**

Dear Mr. Rosenfeld:

Please consider this an addendum to the contract prepared and emailed to you on Monday, November 14, 2016:

As a result of our November 16, 2016 conference call, an additional task of involving Oppenheimer and ACA creditors in the initial planning aspects of the PUD will be performed and added to our existing contract.

Specifically, the task will involve FPM having meetings, calls, and coordinated reviews with Oppenheimer and ACA and the College on development of the three possible Master Plans prior to formal meetings with the Town for preliminary approval. This work will be performed on a time and material basis in accordance with our contract and standard fee schedule.

In addition, throughout the master planning phase as well as the DGEIS, Oppenheimer and ACA will be involved in the reviews and decisions regarding the ultimate planned development of the property.

If this addendum to our proposal is satisfactory, please have Dowling College sign one copy and return to my attention.

Sincerely,

Kevin J. Phillips, PE, Ph.D.  
CEO  
FPM Group, Ltd.

KJP:dlr

Mr. Robert S. Rosenfeld

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December 6, 2016

AGREED AND ACCEPTED

Accepted for FPM Group



Dr. Kevin J. Phillips, P.E.

Accepted for Dowling College



Signature

ROBERT S. ROSENFELD, CRD

Print Name and Title

12/6/16

Date

DOWLING COLLEGE

Corporation or Business Name

150 100th AVE, OAKDALE, NY 11769

Corporation or Business Address

New York

Incorporated in (State)

**FPM**

## FPM GROUP'S GENERAL TERMS AND CONDITIONS

### **1. Basic Services**

FPM Group, Ltd. [FPM] shall perform professional consulting and/or engineering services for the CLIENT as described herein and in the document(s) attached herewith, which may consist of FPM's proposal, letter agreement, exhibits, rate schedules, or such other applicable documents, all of which constitute and are part of the Agreement between FPM and CLIENT.

FPM will provide professional services to the CLIENT to the extent provided in this Agreement, in accordance with generally accepted professional practice, and standards defined herein.

Authorization to proceed may be consummated by an authorized officer of the CLIENT; by signing the Agreement, by letter, by purchase order, by oral accent, by making any payments, or by other implied intent by CLIENT as may be deemed by FPM an authorization to proceed. Any terms and conditions set forth in CLIENT'S purchase order, requisition, or other notice or authorization to proceed are inapplicable to the services under this Agreement. FPM's acknowledgment of receipt of any purchase order, requisition, notice or authorization to proceed, does not constitute acceptance of any terms or conditions other than those set forth in this Agreement.

### **2. Client's Responsibilities**

For consideration of services to be provided, CLIENT shall pay FPM the agreed upon fees and charges. CLIENT shall provide criteria and full information as to CLIENT'S requirements for the Assignment and designate a person with authority to act on CLIENT'S behalf on all matters concerning the Assignment.

CLIENT shall furnish to FPM all existing studies, reports and other available data pertinent to the Assignment, provide additional reports and data as required, and furnish to FPM services of others required for the performance of FPM's services hereunder, and FPM shall be entitled to use and rely upon all such information and services provided by CLIENT or others in performing services under this Agreement.

CLIENT shall arrange for access to and make all provisions for FPM to enter upon public and private property as required for FPM to perform services hereunder.

### **3. Estimate of Charges**

Where applicable, the proposed fees or estimate of charges, either express or implied, represent FPM's best estimate of effort required to perform the scope of services as defined. The project scope will not be altered without mutual agreement and authorization by the CLIENT. However, the parties hereto recognize that as a project progresses, the facts uncovered may alter the scope and dictate a change in direction, additional effort, or suspension of effort. FPM will inform the CLIENT of such situations so that negotiation of change in scope and adjustment to the time of performance can be accomplished as required. If such change, additional

effort, or suspension of effort results in an increase or decrease in the cost of or time required for performance of the services, an equitable adjustment shall be made and the Agreement modified accordingly.

### **4. Payment**

Invoices will be submitted for work completed on a periodic basis, usually monthly, terms payable upon receipt. Past-due balances shall be subject to interest at the rate of 1.0 percent per month. Within 21 days of receipt of FPM invoice, CLIENT shall examine the invoice in detail as to its accuracy and completeness and shall raise any questions or objections regarding the invoice within these 21 days. After 21 days from receipt of FPM's invoice, CLIENT waives any questions or objection to the invoice not earlier raised. In the event the CLIENT fails to make a payment when it is due, or if the CLIENT and FPM disagree as to whether the CLIENT has failed to make a payment, FPM shall be entitled to suspend performing services under the contract until the dispute has been resolved, or the CLIENT places a sum equal to 150% of the amount in dispute in an escrow account, reasonably satisfactory to both parties, which specifies that the escrow agent shall distribute the escrow sum between the parties in accordance with any arbitration award or court judgment entered resolving the dispute. CLIENT shall reimburse FPM for any costs and expenses, including attorney's fees, incurred by FPM in any effort to enforce payment. Time is of the essence in payment of invoices and timely payment is a material part of the consideration of any agreement between FPM and CLIENT.

### **5. Reimbursable Expenses**

Where the method of payment for services is based on unit prices, time and material, or other method which includes reimbursement of expenses, the CLIENT agrees to reimburse FPM the following reimbursable expenses:

- a. Living and traveling expenses of employees and principals when away from the home office on business connected with the project.
- b. Automobile travel expense from and to the home office at the latest IRS allowable per mile chargeable rate.
- c. Identifiable communication expense, such as long-distance telephone, telegraph, cable, express charges, and postage, other than for general correspondence.
- d. Services directly applicable to the work, such as special legal and accounting expenses, computer rental, special consultants, borings, laboratory services, equipment rental, commercial printing and binding, and similar costs that are not applicable to general overhead.
- e. Subconsultant and subcontractor costs.
- f. Identifiable drafting, office, laboratory, or sampling supplies exclusively applicable to the CLIENT'S work.
- g. Identifiable reproduction costs applicable to the work, such as blueprinting, photocopying, printing, etc.

**FPM Group's General Terms and Conditions (Continued)**

- h. The cost of removing hazardous or potentially hazardous waste generated as a result of any site investigation. This may include drill cuttings, well development water, etc., or any other materials associated with the assignment.
- i. Insurance in addition to the normal coverage provided, to protect or indemnify the CLIENT and/or others when required by the CLIENT.
- j. A 15% handling and administrative charge will be added to those foregoing items which are purchased from outside sources.
- k. Preparing to serve and/or serving as a witness in any litigation or proceeding involving the services or project, during or latent to the services rendered herein, shall be a reimbursable unit price expense.

**6. Unit Prices**

Where the method of contract payment, or portions of payment, are based on unit prices, hourly rates, or time and materials, the following provisions shall apply:

- a. Labor rates are subject to change on or about July 1st of every year, when FPM reviews its salary costs, expenses, and hourly charges, and updates its rates due to inflation and other market pressures.
- b. The minimum time segment for charging of field work is four (4) hours. The minimum time segment for charging of work done in office is one-half ( $\frac{1}{2}$ ) hour. There is no premium charge for overtime.
- c. Applicable unit rental charges will be applied for sophisticated apparatus or instrumentation.
- d. A unit sampling fee will be charged for sampling supplies such as: bailers, chemicals, and other consumable supplies directly chargeable to the assignment.

**7. Delays**

It is expected that after services for this project have been initiated, the work can proceed without undue interruption caused by either lack of specified facilities or information from the CLIENT. Both schedule commitments and costs will require re-evaluation if there are such delays. Delays caused by unpredictable occurrences such as extreme weather, process shutdowns, strikes, etc. which extend the time spent on the project beyond the original estimate will constitute a change in scope and will be billed accordingly.

**8. Insurance/Liability**

FPM agrees to purchase at its own expense, Workers Compensation Insurance, General Liability Insurance, and Professional Liability Insurance, and will upon request, furnish insurance certificates to CLIENT. FPM agrees to indemnify CLIENT for hazards, claims, losses, and damages arising out of FPM's negligent performance of services under this Agreement, to the extent it is covered by FPM's insurance, subject to the limits of insurance coverage, limitations of liability, and other terms and conditions in this Agreement. The CLIENT agrees to indemnify and hold harmless FPM, with respect to CLIENT'S negligent acts, and to claims, damages,

losses, injuries, third party suits, and expenses to the extent same are not covered by the insurance maintained by FPM and by limitations of coverages and liability therein and herein. The parties agree that CLIENT indemnifications shall extend to: employees, principals, officers, consultants, contractors, etc., employed by FPM. FPM will not be responsible for protection of subsurface, enclosed, or exposed utilities, facilities, structures, or for the discovery, presence, discharge, dispersal, release, escape, handling, removal, disposal of (or the exposure of persons to) hazardous or toxic materials or wastes, shall not be the arranger; and CLIENT shall hold harmless and indemnify FPM for same.

Notwithstanding any other provision of these General Terms and Conditions, FPM's total liability to the CLIENT and third parties for any and all injuries, claims, losses, or damages, including, but not limited to, special and consequential damages, arising out of or in connection with this or any related Agreement from any cause, including FPM's professional negligence, errors or omissions, breach of contract or breach of warranty shall not exceed the greater of \$50,000 or the total compensation received by FPM for the professional services part of the Agreement hereunder, and CLIENT hereby releases FPM from any liability above such amount.

Premiums for insurance in addition to FPM's normal coverage, to protect or indemnify the CLIENT and/or others when requested by the CLIENT, if commercially available, shall be paid by the CLIENT, as an addition to the stated project costs.

**9. Disputes**

All claims, disputes, or other matters for which the sum sought to be recovered is less than \$50,000 shall be decided by arbitration through the American Arbitration Association. The parties stipulate that any litigation or other dispute resolution process arising out of or relating to this Agreement shall have its venue in Suffolk County, NY, and be governed by the law of the principal place of business of FPM, and the parties hereby waive any objections to jurisdiction or venue which they may otherwise have. If a dispute arises as a result of alleged negligence by FPM, prior to initiating any action, CLIENT shall obtain a "Certificate of Merit" from a licensed professional and expert in the field of the dispute, who shall certify that in his opinion, negligence existed, and that harm could have been caused by said negligence. FPM shall not have any fiduciary duty, and FPM makes no warranty or guarantee, express or implied, regarding the services or work to be provided under this or any related Agreement.

**10. Standard of Care**

FPM will perform services in accordance with a "Standard of Care" consistent with definitions contained in statutes, regulations, contract, and reasonable professional judgment. Any industry guides, standards, publications, references, or any other purported standard of care,

### FPM Group's General Terms and Conditions (Continued)

unless specifically included in this agreement, shall not be construed as a standard of care applicable to this agreement.

#### 11. Services for Design or for Construction

For services requiring design, plans, or specifications, FPM, as the design professional, shall determine the level of design detail necessary to convey the general intent of the construction work implied thereon. Levels of design detail may include: detailed designs, performance designs and criteria, concept designs, or other general or specific information deemed appropriate to convey the general intent of the project. FPM will not be responsible for design and engineering of systems and components provided by others, such as manufactured components, nor of drawings provided by others.

If construction observation or field services are required as part of the Agreement, FPM's efforts will be directed toward observing aspects of the construction for compliance with the intended design. FPM may provide the CLIENT with logs or reports of observations made. FPM will not be responsible for the failure of the construction contractor to perform the construction in accordance with the contract documents. FPM shall not be responsible for the acts or omissions, or safety precautions at a project site, including that for a construction contractor, any sub-contractor, or any contractor's or sub-contractor's agents or employees, or any other person whether or not involved with the project. FPM will not be responsible for the ways, methods, means, techniques, sequences, procedures, or the safety precautions, for the construction and programs incidental thereto.

#### 12. Investigations, Studies and Costs

For services involving investigations, research, studies, feasibility, projections or cost estimates, it is agreed that opinions or recommendations prepared by FPM hereunder will be made on the basis of FPM's experience and qualifications and represent FPM's best judgment. It is recognized, however, that FPM does not have control over varying or unknown conditions, or over the cost of labor, material, equipment, data, information, and services furnished by others or over market conditions or contractors' methods of determining their prices, and that any utilitarian evaluation of any project or work to be performed on the basis of FPM's opinions must of necessity be speculative. Accordingly, FPM cannot and does not guarantee that work, proposals, bids, actual costs or conditions will not significantly vary from opinions, evaluations, projections, or studies submitted by FPM to CLIENT hereunder.

#### 13. Termination of Agreement

This Agreement may be terminated by either party upon seven (7) days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the other. In the event of termination, FPM shall be paid for services performed to termination

date, including reimbursement then due, plus terminal expenses.

If this project is canceled or terminated by the CLIENT prior to its completion, such cancellation must be by written notice, and shall state whether all efforts are to cease or whether effort to date must be documented. In either case, FPM will use its best efforts to bring the project to a rapid and efficient close. The final invoice will include all services and direct expenses associated with the project up to the close-out date, plus three (3) percent of the billings to date as a close-out cost. The close-out cost is not to be construed as a penalty, but rather represents an allowance for costs usually not available on short notice, such as telephone, printing, etc. The final invoice for final payment will be based on the amount of work performed plus closeout costs.

#### 14. Ownership of Documents

Reports, studies, specifications, and other documents prepared by FPM as instruments of service are the property of FPM whether the Project for which they are made may be executed or not. They are not to be used on other projects except by agreement in writing.

#### 15. Nonwaivers

- a. The failure of one party to insist upon or enforce, in any instance, strict performance by the other party of any of the terms of this Agreement, including those relating to compensation or to the exercise of any right herein conferred, shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon such terms or rights on any future occasion.
- b. If any provision of this agreement is held invalid or unenforceable, such provision shall thereupon be deemed modified only to the extent necessary to render the same valid or excused from this agreement, as the situation may require, and this agreement shall be enforced and construed as if such provision had been included herein.

#### 16. Successors and Assigns

The parties hereto are hereby bound and the partners, successors, executors, administrators and legal representatives of the parties are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements and obligations of this Agreement. Neither party shall assign, sublet, or transfer any rights of this Agreement without written consent.

Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than CLIENT and FPM, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of CLIENT and FPM and not for the benefit of any other party.

**END General Terms and Conditions**

**FPM GROUP****STANDARD FEE SCHEDULE**

Effective July 1, 2016 – June 30, 2017

CADD I.....	\$80.64/hr.
CADD II.....	\$102.36/hr.
CADD III.....	\$128.84/hr.
Administrative Assistant I.....	\$88.33/hr.
Administrative Assistant II.....	\$104.56/hr.
Assistant Architect .....	\$109.65/hr.
Architect I.....	\$139.21/hr.
Architect II.....	\$175.12/hr.
Architect III.....	\$219.54/hr.
Assistant Engineer.....	\$109.65/hr.
Associate Engineer.....	\$124.43/hr.
Engineer I .....	\$139.21/hr.
Engineer II .....	\$146.07/hr.
Engineer III .....	\$156.90/hr.
Engineer IV .....	\$173.12/hr.
Engineer V .....	\$191.80/hr.
Engineer VI .....	\$202.34/hr.
Engineer VII .....	\$213.16/hr.
Engineer VIII.....	\$223.98/hr.
Technician .....	\$100.69/hr.
Scientist I .....	\$90.89/hr.
Scientist II .....	\$101.71/hr.
Scientist III .....	\$119.02/hr.
Scientist IV .....	\$132.98/hr.
Scientist V .....	\$148.61/hr.
Scientist VI .....	\$167.79/hr.
Scientist VII .....	\$194.12/hr.
Scientist VIII.....	\$230.11/hr.
Survey Party Member.....	\$103.52/hr.
Survey Party Chief.....	\$132.87/hr.
Head of Survey.....	\$192.45/hr.
Hydrogeology Department Manager/Project Manager.....	\$230.11/hr.
Engineering Department Manager/Project Manager .....	\$253.45/hr.
Principal .....	\$298.69/hr.

**VHB Engineering, Surveying and Landscape Architecture, P.C.**  
**HOURLY BILLING RATES**

*Effective July 5, 2015*

<u>BILLING CODE</u>	<u>LABOR CATEGORY</u>	<u>HOURLY RATE</u>
240	Principal 4	\$300
230	Principal 3	\$275
220	Principal 2	\$250
210	Principal 1	\$230
190	Technical/Professional 19	\$220
180	Technical/Professional 18	\$210
170	Technical/Professional 17	\$200
160	Technical/Professional 16	\$190
150	Technical/Professional 15	\$180
140	Technical/Professional 14	\$170
130	Technical/Professional 13	\$160
120	Technical/Professional 12	\$150
110	Technical/Professional 11	\$140
100	Technical/Professional 10	\$130
090	Technical/Professional 09	\$120
080	Technical/Professional 08	\$110
070	Technical/Professional 07	\$100
060	Technical/Professional 06	\$90
050	Technical/Professional 05	\$80
040	Technical/Professional 04	\$70
030	Technical/Professional 03	\$60
020	Technical/Professional 02	\$50
010	Technical/Professional 01	\$40
350	Technical/Support 5	\$80
340	Technical/Support 4	\$70
330	Technical/Support 3	\$60
320	Technical/Support 2	\$50
310	Technical/Support 1	\$40
500	Court Testimony Starts at	\$300

Reimbursable and sub-consultant expenses are billed at cost plus 10%.